

Lynette Worthy

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW.
Washington, DC 20551

Re: Docket No. R-1404 and RIN No. 7100 AD63

February 16, 2011

Board of Governors of the Federal Reserve System,

This letter is being drafted as a way to express opposition in regards to the proposed changes to the "Debit Card Interchange Fees and Routing" legislation.

Being a consumer as well as an employee of a community bank, the proposed legislation will have a significant impact upon all arenas of my life. As a consumer, it is my understanding that the merchant interchange fees will be significantly reduced which in turn this action will lead to increased fees for a number of services that are provided to each user of a debit card as a free service by their banking institutions. Banks have offered these services for years as a way to protect the consumer as well as reduce their own risk. However, should this legislation be put into place, it will force banking institutions to begin imposing fees on the consumer as a way to recoup the expenditures associated with the current interchange fees. By imposing such fees, consumers will either return to their practices of utilizing cash or checks for payment of services – which is a step in wrong direction for all individuals in the process. Consumers will have higher exposure in regards to fraud. Banks will be forced to have higher "cash on hand" levels and the merchants will expose themselves to more insufficient funds transactions than are currently being conducted.

Although the goal with any legislation is to protect the consumer, this legislation will ultimately result in harming the consumer instead as it will be their responsibility to "foot the bill" and will basically eliminate any free services that are currently being offered to them.

For many individuals that currently utilize their banking institution as a "storage" facility instead of a savings institution, a monthly maintenance charge or a per usage charge will force them to either close their accounts or significantly limit their usage of the debit card to emergency purchases.

To reiterate, implementation of this proposed legislation will be a large negative in regards to any form of monetary exchange. The goal should be to move the economy forward instead of backwards.

Thank you for your consideration and allowing my voice to be heard.

Sincerely,


Lynette Worthy
Concerned Consumer